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IN THE COURT OF APPEAL OF THE STATE OF CALIFORNIA

FIRST APPELLATE DISTRICT

DIVISION FOUR

WUXI LUOSHE PRINTING AND
DYEING CO., LTD., ET AL.,

Plaintiffs and Respondents,

v.

ANSHAN LI, ET AL.,

Defendants and Appellants.

A149522

(San Mateo County
Super. Ct. No. CIV502381)

Defendant Anshan Li appeals a judgment entered after a court trial, in which he was found to have defrauded a minority shareholder in a corporation he controlled, resulting in compensatory damages of approximately \$46 million, plus prejudgment interest of approximately \$27 million.¹ Li raises three issues on appeal: he claims the trial court abused its discretion in denying him relief from his jury waiver, the court wrongly granted summary adjudication on the issue of his fiduciary duty to minority shareholders, and it applied the wrong standards in considering his defense under the statute of limitations. In turn, plaintiffs Wuxi Luoshe Printing and Dyeing Co., Ltd. and Zhize Huang have moved to dismiss the appeal on the ground that defendant moved his assets out of this country, lied about his actions in court pleadings, and disobeyed court

¹ The notice of appeal was also filed on behalf of defendant TA Home, Inc., a corporation (under a different name) of which Li and plaintiff Zhize Huang had been shareholders. TA Home, Inc. did not file an opening brief. References in this opinion to “defendant” are to Li.

orders related to enforcement of the judgment. We deny the motion to dismiss. On the merits, we reject all of defendant's arguments and affirm the judgment.

I. BACKGROUND

The facts underlying this case are complex, and we need not recite them fully to resolve the issues before us on appeal. We begin by quoting the "Overview" found in the trial court's statement of decision and will discuss further details as necessary. Defendant does not challenge the sufficiency of the evidence to support these findings.

"Plaintiffs and Defendant Anshan Li decided to start a business in California. Plaintiff Zhize Huang is a resident of the People's Republic of China, and his company Plaintiff Wuxi Luoshe Printing and Dyeing Co. Ltd. is a China-based business. Plaintiffs provided the capital to start the business—which became Defendant Standard Fiber Inc.—and Defendant Anshan Li, who was living in California, operated the business. Li and Huang were the two shareholders of the new company. Defendant Standard Fiber Inc. was successful and profitable. Defendant Li falsely represented to Plaintiffs that the business was not sufficiently profitable to justify distribution of dividends, and told Plaintiffs that American tax laws made it necessary for any profits to be reinvested back into the business—which representations Plaintiffs believed. At the same time, Defendant Li and his wife reaped multi-millions of dollars in pay-outs as salaries and dividends. After several years, Defendant Li decided to sell the company, but he wanted to keep all of the proceeds for himself. Personally, or at his direction, Defendant Li attempted to create a manufactured paper-trail to give the appearance in the corporate books and records that Plaintiffs' investment and status as a shareholder was instead simply a loan and only a lender relationship. Li informed the potential buyers that the 'loan' by Plaintiffs was paid off, and that Li was the sole shareholder of Standard Fiber. [In 2006,] Li sold all of the assets of Standard Fiber Inc. for over \$44 million to an entity (later named Standard Fiber LLC), and included as a term of the sale that he (Li) would own 24% of the acquiring company and continue to work for the business. Plaintiffs received zero. Four years later [in 2010], Plaintiff Huang heard from a third party about the sale of Standard Fiber, and learned that he had been cheated."

Li's version of events, not surprisingly, was different. Among other discrepancies, he took the position that, when he was setting up Standard Fiber, Inc. (the corporation or the company) in 1998 and 1999, Huang asked Li to list him as a shareholder and director of the corporation and his wife as chief executive officer in order to assist him in obtaining United States visas for his family, but the parties did not intend for Huang to receive any economic benefits. Although Huang wired \$300,000 to a Standard Fiber, Inc. account in 1999, the money was not intended to be an investment in the company, but rather was meant to be used by Huang's family members when they came to the United States, with a small amount of the money to be used for "nominal shares" in the company. Li also presented evidence that, in 2002, Huang sold all his shares in Standard Fiber, Inc. to him for \$1. Huang denied having signed such an agreement.

A court trial took place in 2013. The trial court issued a tentative decision in October 2013, indicating it would enter judgment in favor of plaintiffs. Both parties requested a statement of decision. The court issued its proposed statement of decision in September 2015. On July 12, 2016, the court issued its final statement of decision and entered judgment. The court ruled in favor of plaintiffs on causes of action for breach of contract, breach of fiduciary duty, fraud, and unjust enrichment, and awarded total damages, including prejudgment interest, of approximately \$73 million.

II. MOTION TO DISMISS

Plaintiffs ask us to dismiss this appeal based on the disentitlement doctrine. " 'An appellate court has the inherent power, under the "disentitlement doctrine," to dismiss an appeal by a party that refuses to comply with a lower court order. . . . "A party to an action cannot, with right or reason, ask the aid and assistance of a court in hearing his demands while he stands in an attitude of contempt to legal orders and processes of the courts of this state." ' 'No formal judgment of contempt is required; an appellate court "may dismiss an appeal where there has been *willful disobedience or obstructive tactics*." ' . . . [¶] 'The disentitlement doctrine has been applied to a wide range of cases, including cases in which an appellant is a judgment debtor who has frustrated or obstructed legitimate efforts to enforce a judgment.' " (*Blumberg v. Minthorne* (2015))

233 Cal.App.4th 1384, 1390–1391 [appellant missed court dates, failed to keep promises, lacked candor in communications with court, and ignored court’s orders]; see *Stoltenberg v. Ampton Investments, Inc.* (2013) 215 Cal.App.4th 1225, 1230–1231 [appellant judgment debtor did not comply with postjudgment discovery to aid enforcement of judgment being appealed and was found in contempt]; *TMS, Inc. v. Aihara* (1999) 71 Cal.App.4th 377, 378–380 [appellant judgment debtor willfully failed to comply with court order to answer postjudgment interrogatories].)

Plaintiffs urge us to apply the disentitlement doctrine here and dismiss this appeal, based on Li’s conduct in connection with both the current case and a second case plaintiffs brought against Li and others, which alleges that Li, his wife, and another defendant conspired to transfer assets in violation of the Uniform Voidable Transactions Act (Civ. Code, § 3439.04 et seq.) in order to avoid enforcement of the judgment in this case (the fraudulent transfer action). Two courses of conduct are of particular concern to us: first, Li’s transfer of his assets to China to avoid enforcement of the judgment in the current case, and second, his defiance of a deposition notice and court order in the fraudulent transfer action.

In August 2015—that is, after the trial court had issued its tentative decision but before the proposed statement of decision—in opposition to an effort to attach his property, Li submitted a declaration stating, “My wife and I currently maintain more than \$20,000,000 in bank and brokerage accounts in California. Substantial additional funds are currently maintained by Li’s Capital and other California entities that I own in whole or substantial part. [¶] [] During the past three years I have not transferred, and do not intend to transfer, funds outside the United States.” After judgment, defendant did not post a bond, and the trial court authorized execution of the judgment against his living trust. In August 2016, in support of a motion for stay of enforcement, defendant submitted to the court a table summarizing his assets, which included approximately \$22 million in cash and stock held in accounts in the United States, and approximately \$25 million in other assets. With the exception of real estate worth \$4.4 million, there was no indication any of these other assets were outside of the United States. At the

hearing on the motion, the court expressed concern that Li would move his money to China, and his attorney told the court that it was his understanding that Li had not done so.

As a result of third-party discovery, plaintiffs learned in March 2017 that, by August 2016, Li had transferred tens of millions of dollars to Hong Kong or China, either directly or through conduits. Li failed to disclose these transfers of overseas funds either in his verified written discovery responses in the fraudulent transfer action or in the asset table filed in the current action. We need not belabor the details of these transactions; in his opposition to the motion to dismiss, Li does not deny he transferred large amounts of money overseas, but merely notes that no order forbidding him from doing so was in effect at the time of the transfers. It is also worth noting that immediately after plaintiffs informed the trial court in the fraudulent transfer action of the overseas transfers and their inconsistency with Li's discovery responses, his attorneys withdrew from representing him and the entities he controls because they could not continue to do so "consistent with [their] obligations under the Code of Professional Responsibility and applicable law."

The second area of particular concern to us is Li's failure to appear for a deposition in the fraudulent transfer action, in defiance of first a deposition notice and then an order of the trial court. A September 16, 2017 order in the fraudulent transfer action imposing sanctions on Li shows the following: Plaintiffs served a deposition notice on August 19, 2016, setting Li's deposition for September 6, 2016. Both before and after that date, Li made sworn statements that he resided in Atherton, California. He did not appear for the deposition, although he was in California on that date. The court issued an order on November 10, 2016, requiring Li to appear for a deposition before November 30, 2016. His counsel told plaintiffs' counsel Li was in China and too ill to travel to California; the trial court was not persuaded by the evidence that Li could not have appeared. Li later took the position he had relocated to China on July 16, 2016, and was no longer a resident of California as of that date, although he did not dispute that he had been in California on the originally-noticed deposition date. The trial court found Li had been a resident of California at all relevant times and that he had willfully violated

the order to appear for his deposition. As sanctions, the court ordered that, at the trial of the fraudulent transfer action, (1) the jury would be instructed that Li had failed to appear for his properly noticed deposition, that he went to the People's Republic of China, where depositions are illegal, and that he had refused to leave China to travel to any place where a deposition may be taken legally, and (2) Li could not present his own testimony at trial.

After careful consideration of this behavior, as well as the other facts discussed in the motion to dismiss the appeal, we decline to exercise our discretion to apply the disentitlement doctrine. Although the trial court later restrained Li's trust from transferring any assets without prior notice to plaintiffs, no such order was in effect when the money in question was moved out of the country. It appears that the propriety of the transfers is currently before the trial court in the fraudulent transfer action, and the court there has already imposed a significant sanction for Li's failure to abide by the court order requiring his deposition. Moreover, we effectively reach the same result by resolving the merits of this appeal, to which we now turn.

III. THE MERITS

A. Relief From Jury Waiver

1. Procedural History

At the outset of this case in 2011, plaintiffs requested a jury trial and defendants requested a nonjury trial in their case management statements. The parties later submitted a joint initial case management conference statement, which indicated that plaintiffs sought a jury trial and that the parties estimated trial would take approximately 15 days.

In 2012, the requirements of section 631 of the Code of Civil Procedure² regarding jury fees were amended to require each party demanding a jury to deposit jury fees at least 25 days before the initial trial date; under the prior version of the law, if a party who had demanded a trial by jury later waived a jury, adverse parties had five days to file their own jury demand and deposit fees. (Stats. 2012, ch. 41, § 3; former § 631, subd. (b),

² All further statutory references are to the Code of Civil Procedure.

Stats. 2002, ch. 806, § 15.) The trial court distributed notice of this change in the law to counsel in June 2012. At an August 8, 2012 case management conference, the trial court asked if anyone had posted jury fees, and Li's counsel replied, "We haven't, we're Defendants." The next day, plaintiffs posted jury fees. The case was set for a three-week jury trial, to begin March 4, 2013.

On February 4, 2013, the trial court suggested proceeding with a court trial, in light of the difficulty of working through interpreters and scheduling international witnesses. On February 14, 2013, counsel for plaintiffs indicated he was considering waiving a jury trial. Li's counsel stated he was relying on plaintiffs' invocation of a jury, but the court reminded him of the statutory requirement that any party seeking a jury post fees in advance.

A week later, on February 21, 2013, defendants made an ex parte application for relief from the waiver, stating that counsel for defendants had recently learned they had "inadvertently" failed to demand a jury or post fees. The trial court denied the motion, finding defendants had affirmatively waived a jury and had made a tactical decision not to demand a jury.

Plaintiffs then waived their right to a jury, and the matter proceeded as a court trial. The court noted that it would take longer than usual for witnesses to testify because some would need translators, and that the jury trial waiver would provide more flexibility when scheduling witnesses. Counsel for defendants acknowledged that a court trial provided more flexibility and that it would be difficult to present all witnesses in 15 days. Defendants did not seek writ relief and told the court the following day that a bench trial was "fine with us."

After trial, defendants moved for a new trial on the ground the court abused its discretion in denying relief from their jury waiver. The trial court denied the motion. At the hearing on the motion, the court explained that before trial, both parties had said they would not be able to stay within their original estimate of 15 days for the trial beginning in March 2013, that it would be difficult to get jurors to stay longer than that because the trial would conflict with jurors' spring break schedules, that the judge in the single-

assignment complex litigation department had to be away from the court in April, and that she had other lengthy trials scheduled throughout 2013. As a result, a jury trial would have been either truncated or delayed for up to a year.

2. *No Abuse of Discretion*

Li contends the trial court abused its discretion in denying his request for relief from his waiver of a jury trial. Section 631, subdivision (g) provides that a court “may, in its discretion upon just terms,” allow a jury trial after a waiver. “ ‘It has been a general rule in California that once a party has waived his right to a jury trial waiver cannot thereafter be withdrawn except in the discretion of the trial court,’ ” and we will not set aside the trial court’s decision “as long as there exists ‘a reasonable or even fairly debatable justification, under the law, for the action taken.’ ” (*Gonzalez v. Nork* (1978) 20 Cal.3d 500, 506–507.)

The court may consider various factors in exercising its discretion, including delay in rescheduling the trial, prejudice to the litigants, *prejudice to the court or its calendar*, whether the other parties desire a jury trial, and the reason for the demand. (*Day v. Rosenthal* (1985) 170 Cal.App.3d 1125, 1176.) “[R]elief will be denied where the only reason for the demand appears to be the party’s change of mind.” (*March v. Pettis* (1977) 66 Cal.App.3d 473, 480; compare *Boal v. Price Waterhouse & Co.* (1985) 165 Cal.App.3d 806, 809 [new attorney mistakenly marked form showing jury waiver in ignorance of earlier jury trial request].)

The trial court’s action here easily meets these standards. Defendants expressly waived their right to a jury trial by checking the box requesting “a nonjury trial” in their original case management statement, and they confirmed this waiver at the August 8, 2012 case management conference and by declining, even after being notified of the change in the requirements of section 631, to post jury fees. In the ex parte application for relief from the waiver, defendants contended the waiver was inadvertent, but the record amply supports the trial court’s conclusion that the waiver was deliberate, and defendants had simply changed their minds. The record also shows prejudice to the court and its calendar: only 15 consecutive days had been set aside for a jury trial, and, as trial

approached, both the court and counsel acknowledged that the case was likely to take longer than the court had set aside and that a court trial would make it easier to schedule witnesses. Li has not met his burden to show the trial court abused its discretion in denying his motion for relief from the jury waiver.

Li points out that there were many disputed factual issues, and he suggests a jury might have reached a different result than the court. Where, as here, there was no abuse of discretion in denying his request for relief from a jury waiver, we will not presume Li did not receive a fair and impartial trial. (See *Sidney v. Rotblatt* (1956) 142 Cal.App.2d 453, 456.) He also argues that, in fact, the court trial caused greater delay than a jury trial would have; in particular, the trial court did not issue its final statement of decision until three years after the trial, subjecting him to millions of dollars of additional prejudgment interest. We are confounded by the delays in filing a final statement of decision in this case, even as we acknowledge that 46 days of trial testimony produced a substantial record. But we review the trial court's ruling as of the time it was made (*Cypress Security, LLC v. City and County of San Francisco* (2010) 184 Cal.App.4th 1003, 1014), and conclude the trial court did not abuse its discretion.

B. Summary Adjudication of Fiduciary Duty

Before trial, plaintiffs moved for summary adjudication of the fiduciary duties Li owed to Huang when Huang was a minority shareholder of Standard Fiber, Inc. Attached to the motion were verified discovery responses in which Li admitted that in 2001 he and Huang were the sole shareholders of Standard Fiber, Inc.; that from 2001 until Standard Fiber, Inc. was sold, Li was the sole majority shareholder; that until that time Li and Huang had been the only two shareholders of Standard Fiber, Inc.; and that as an officer, director, or general manager, Li owed fiduciary duties to shareholders of the company.

The trial court granted the motion as to the issue: "Mr. Li, as a director, officer and majority shareholder of Standard Fiber, Inc., owed fiduciary duties to Mr. Huang when he was a minority shareholder." The court explained that Li had argued that Huang was a shareholder " 'in title only' " because the parties had the "subjective intent that Huang would be listed as a shareholder but would not actually have rights as a

shareholder.” The trial court rejected this argument, concluding that, “under California law, there is no such thing as a shareholder with no rights.”

Li argues this ruling was erroneous, but we are not persuaded. It is black letter law that majority shareholders have a fiduciary duty to minority shareholders to use their control in a fair, just, and equitable manner. (*Jones v. H. F. Ahmanson & Co.* (1969) 1 Cal.3d 93, 108; *Stephenson v. Drever* (1997) 16 Cal.4th 1167, 1178.)

For his argument that California law recognizes nominal shareholders with no actual interest in a corporation, Li draws our attention to *Most v. First Nat. Bank of San Diego* (1966) 246 Cal.App.2d 425, 431 (*Most*) and *Webster v. Bartlett Estate Co.* (1917) 35 Cal.App. 283, 285 (*Webster*). These cases are of no assistance to Li. In *Most*, the court concluded that “registered ownership on the books of the corporation . . . is all that is required to make one a shareholder” for purposes of the common law right of a stockholder to inspect the corporation’s books and records and that “ ‘one may be a *bona fide* shareholder without having any beneficial interest in the shares.’ ” (*Most*, at p. 431, quoting *Webster*, at p. 285.) *Webster*, in turn, concluded that the holder of a share of stock was entitled to inspect the corporate books, even if she had paid no consideration for the share and received it on the understanding that it remained the property of the person who had transferred it to her and that she would return it to him on demand. (*Webster*, at pp. 284–285.) Thus, *Most* and *Webster* contradict the argument that California law recognizes a shareholder without rights. *Pittelman v. Pearce* (1992) 6 Cal.App.4th 1436, 1444–1445, which declined to extend to *bondholders* the fiduciary duties owed to shareholders, is also unhelpful to Li.

Li has not shown that California recognizes a class of “nominal” shareholders to whom no fiduciary duty is owed. We therefore reject his challenge to the trial court’s grant of summary adjudication on the question of whether Li owed a fiduciary duty to Huang when Huang was a minority shareholder.

C. Statute of Limitations

Li asserted the affirmative defense that plaintiffs’ claims were time-barred. Li took the position that Huang had notice that Standard Fiber, Inc. did not consider him a

shareholder after the end of 2002, and that he had known of the company's sale in 2006. This action was filed on January 14, 2011. Relying on the "discovery rule," the trial court rejected this defense. In so doing, it noted that some causes of action were subject to a three-year statute of limitations and others to a four-year statute. Li contends the trial court erred in two respects: by misallocating the burden of proving the discovery rule applies, and by misapplying the standard for determining whether a party was put on inquiry notice of the wrongs alleged.

"[A] cause of action for fraud or mistake accrues, and the limitations period commences to run, when the aggrieved party could have discovered the fraud or mistake through the exercise of reasonable diligence. . . . [S]ince the provision tolling operation of the statute until discovery is an exception, the plaintiff 'must affirmatively excuse his failure to discover the fraud within [the limitations period] after it took place, by establishing facts showing that he was not negligent in failing to make the discovery sooner and that he had no actual *or presumptive knowledge* of facts sufficient to put him on inquiry.' " (*Sun 'n Sand, Inc. v. United California Bank* (1978) 21 Cal.3d 671, 701–702 (*Sun 'n Sand*); accord *Hobart v. Hobart Estate Co.* (1945) 26 Cal.2d 412, 437, *Krolkowski v. San Diego City Employees' Retirement System* (2018) 24 Cal.App.5th 537, 561–562.) Where there is a fiduciary relationship between the parties, "the duty to investigate may arise later by reason of the fact that the plaintiff is entitled to rely upon the assumption that his fiduciary is acting in his behalf. But, once the plaintiff becomes aware of facts which would make a reasonably prudent person suspicious, the duty to investigate arises and the plaintiff may then be charged with the knowledge of facts which would have been discovered by such an investigation." (*Bedolla v. Logan & Frazer* (1975) 52 Cal.App.3d 118, 131.)

Li first argues the trial court erred in failing to allocate to plaintiffs the burden to excuse their failure to discover his actions within the limitations period. In rejecting the statute of limitations defense, the trial court stated, "The Court finds that Plaintiffs' claims are not barred by the statute of limitations, and that Defendants have failed to prove this affirmative defense by a preponderance of the evidence." Li is correct that the

court did not state explicitly that plaintiffs met their burden to excuse their failure to discover his actions within the normal limitations period. However, a fair reading of the statement of decision as a whole shows the court in fact concluded plaintiffs affirmatively excused their failure to discover the wrongdoing earlier.

A statute of limitations is an affirmative defense, which must be proved by the party asserting it (*PGA West Residential Assn., Inc. v. Hulven Internat., Inc.* (2017) 14 Cal.App.5th 156, 176; *Ladd v. Warner Bros. Entertainment, Inc.* (2010) 184 Cal.App.4th 1298, 1301), and the court’s language reflected this general rule. But the statement of decision’s discussion of the discovery rule includes a quotation from *Hobbs v. Bateman Eichler, Hill Richards, Inc.* (1985) 164 Cal.App.3d 174, 201–202, stating, “ ‘Where there is a fiduciary relationship the usual duty of diligence to discover[] facts does not exist. [Citation.] [¶] Thus, *a plaintiff need not establish that she exercised due diligence to discover the facts within the limitations period unless she is under a duty to inquire and the circumstances are such that failure to inquire would be negligent.*’ ” (Italics added.) This quotation indicates the court was aware that plaintiffs had the burden to show the discovery rule applied.

In any case, it is clear from its discussion of the merits of the case that the trial court was persuaded that Huang reasonably relied on Li’s assurances. For instance, defendant had asserted that the fact that Huang never received any dividends from Standard Fiber, Inc. after 2002 meant that Huang knew he was no longer a shareholder; but the court recited at length the evidence that Li told Huang that, due to American tax laws and the financial position of the business, any after-tax profits should be kept in the company to fund continuing growth and development rather than being paid as dividends. The court noted that, although Huang did not ask to see the company’s tax returns, no such returns are required in China. And, in response to defendants’ argument that plaintiffs did not diligently seek the company’s financial statements in writing, the court asked rhetorically, “Yet, how could Plaintiffs confront Li and walk away from Standard Fiber, if Standard Fiber was Wuxi Luoshe’s only agent for sales in the U.S.? When Huang asked for financial information, Li would give him information orally and not in

writing—which Huang trusted as being the truth from Li.” Defendants argued that plaintiffs must have known or had reason to know Standard Fiber, Inc. was being sold when representatives of the proposed purchasers visited Wuxi Luoshe’s factory in December 2005. But the court noted that the representatives relied on Li for all the translations, and a representative who testified at trial did not recognize Huang as the person who had been introduced as the factory owner during the visit. The court noted that Standard Fiber, Inc.’s assets were transferred to a company with an almost identical name, Standard Fiber, LLC, and neither the company’s customers nor its employees noticed the difference. On January 18, 2007, Li gave Huang a proposal to buy out his interest in “TA Home, Inc. (Formerly Standard Fiber, Inc.)” for \$400,000. The same day, Li and Huang met in person, and Huang suggested instead they dissolve the company and divide its assets after an independent accounting. Li became upset. These interactions, the court stated, “support the notion that Plaintiff Huang had reason to believe that he was still a shareholder of Standard Fiber, Inc. and that he had no knowledge that it had been sold in June 2006, since he was being offered a buy-out in January 2007.” Reading the statement of decision as a whole, we are confident the trial court found that plaintiffs established facts showing the delayed discovery rule applied. (See *Sun ’n Sand, supra*, 21 Cal.3d at pp. 701–702.)

Li also contends the trial court misapplied the legal standard for determining whether a plaintiff is on notice of claims against a fiduciary. The court stated, “Evidence has been presented supporting the proposition that Plaintiff Huang was defrauded by a fiduciary, and thus was not suspicious and did not have a duty of inquiry triggered prior to having actual notice (or discovery) in 2010. Further, there was evidence presented that Plaintiff had no reason to be suspicious until January 2007, at best, when Defendant proposed to buy him out for \$400,000—which offer was angrily rejected by Plaintiff—which would still be within any four year statute of limitations.”

Li contends the first sentence of this statement conflicts with the rule that, although a plaintiff is entitled to rely on the presumption that his fiduciary is acting on his behalf, the duty to investigate arises once he becomes aware of facts that would make a

reasonable person suspicious. (*Bedolla, supra*, 52 Cal.App.3d at p. 131.) But it is clear the trial court was aware of the correct standard; it had quoted this portion of *Bedolla* earlier in its statement of decision. Thus, the first quoted sentence is best understood as an application of the *Bedolla* standard to the facts of this case, where plaintiffs had no reason to investigate before receiving actual notice in 2010 of the asset sale.

The second quoted sentence—that Huang had no reason to be suspicious through at least January 2007, which would bring him within any four-year statute of limitations—is more problematic. This action was filed on January 14, 2011, slightly less than four years after the January 18, 2007 meeting. The second quoted sentence does not reach any cause of action governed by a shorter statute of limitations. But this concern does not affect the first, independent explanation, and in any event, Li does not contend the damages on any causes of action subject to a four-year limitations period would be lower than those the trial court awarded. We will not reverse the judgment on this basis.

IV. DISPOSITION

The judgment is affirmed.

TUCHER, J.

WE CONCUR:

STREETER, Acting P. J.

BROWN, J.

Wuxi Luoshe Printing and Dyeing Co., Ltd., et al v. Li, et al (A149522)